

104TH CONGRESS
1ST SESSION

H. R. 1035

To amend the Internal Revenue Code of 1986 to encourage multiple employer arrangements to provide basic health benefits through eliminating commonality of interest or geographic location requirement for tax exempt trust status.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1995

Mrs. MEYERS of Kansas introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to encourage multiple employer arrangements to provide basic health benefits through eliminating commonality of interest or geographic location requirement for tax exempt trust status.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. ELIMINATING COMMONALITY OF INTEREST OR**
2 **GEOGRAPHIC LOCATION REQUIREMENT FOR**
3 **TAX EXEMPT TRUST STATUS.**

4 (a) IN GENERAL.—Paragraph (9) of section 501(c)
5 of the Internal Revenue Code of 1986 (relating to exempt
6 organizations) is amended—

7 (1) by inserting “(A)” after “(9)”; and

8 (2) by adding at the end the following:

9 “(B) Any determination of whether—

10 “(i) an exempted multiple employer health
11 plan (as defined in section 701(9) of the Em-
12 ployee Retirement Income Security Act of 1974,
13 as added by the ERISA Targeted Health Insur-
14 ance Reform Act of 1995), or

15 “(ii) a multiple employer welfare arrange-
16 ment (within the meaning of section 3(40) of
17 the Employee Retirement Income Security Act
18 of 1974) under which coverage is fully insured
19 (within the meaning of section 701(8) of such
20 Act, as added by the ERISA Targeted Health
21 Insurance Reform Act of 1995) and consists of
22 medical care (as defined in section 213(d)),

23 is a voluntary employees’ beneficiary association
24 meeting the requirements of this paragraph shall be
25 made without regard to any determination of com-
26 monality of interest or geographic location.”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall apply with respect to determinations
3 made on or after January 1, 1997.

